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### **Background—Description of the Prior Art**

The history of organization technology is the history of human behavior. The development of agriculture represented a huge change in the size and dynamic of human organization. Agriculture enabled humans to create larger groups than hunting enabled. This change in scale began approximately 10,000 years ago. By comparison, the development of man's biological impulses is theorized to have evolved over hundreds of millions of years. The biological drive of small groups to mark turf, cooperate internally and compete externally has challenged the development of efficient organizations since the dawn of agriculture.

Social behavior is driven by the biological drive to survive, join and gain status. Society's organizations do a poor job of aligning that biological imperative with organization goals and objectives.

The act of joining is defined and enhanced by the creation of positive interdependence between two or more people. Positive interdependence is the existence of a win/win relationship arising out of mutual benefit from cooperating. Current organizations create

relatively weak positive interdependence among some of their members, neutral interdependence between others and some weak to intense negative interdependencies.

The internet provides the potential for a huge leap forward in improving the efficiency of organizing and motivating human effort. This potential remains largely untapped.

Geography limits traditional company's ability to organize people. The largest number of people in one building in a Fortune 500 companies is less than 20,000 employees.

Current organization forms make it extraordinarily expensive to gather people and utilize their skills. The average compensation of a full-time worker is over \$35,000 per year. The additional cost of office space and benefits drives this number to over \$50,000 per year.

Current organizations encourage dependency on superiors within the organization. In even the very best companies, the voice of "management" speaks much louder than the voice of other workers in the organization. They lack democratic principles necessary for high job satisfaction.

Current organizations deprive typical workers of any say in the selection of organization leadership.

Current organizations provide feedback to participants typically once per year as to their current status.

Current organizations have made very limited attempts to democratize their organizations through the use of 360 degree feedback. This method typically allows an employee to select from three to perhaps as many as 15 fellow employees to rate their performance. The art of 360 degree review is overly complex with as many as forty dimensions of performance common.

The 360 degree review is approached primarily as a measurement of people, not as a linkage creating positive interdependence.

The 360 degree review process provides limited opportunities for participants to gain status because it allows all of its participants to be ranked equally.

The 360 degree review process is bureaucratic, often taking as long as four months to complete within a company.

The current 360 degree review process is only one fragment of a larger process of motivating participants in an organization. As just one part of a system, the rest of the components may or may not achieve the motivational energy needed to maximize the performance of the organization.

The 360 degree review process is limited to participants. As such, it fails to link more than the direct number of people being ranked by a participant. It does not apply to teams, departments, divisions or subsidiaries. Thus, it does not contribute to the positive interdependence being developed by larger reward systems linked to stock prices, return on equity, profitability, cash flow customer satisfaction and other measures of product quality.

The 360 degree review process is weakly linked to pay, the literature search reveals no guidance on how to link the 360 degree review with pay.

The rewards for individual performance are not directly linked to the performance of the total organization.

Individual performance is calculated most frequently quarterly and typically annually.

Organizations depend on the human drive to maintain and gain status to motivate members. Typically, status levels within traditional organizations are rigid. Some well known examples: Pope, bishop, monsignor, priest, King, duke, serf, emperors, Chief executive officer, Chief operating officer, president, vice-president, manager. Changing the status of a member or leader is difficult. For example: murder, death of incumbent, expensive promotion, painful demotion, firing. Because of the rigidity and difficulty, changes in status are infrequent. For example some positions are granted for life and holding one level of status for an entire career is common.

#### Background: Technology timeline of Prior Art

2.5 million B.C. to 10,000 B.C. humans organized in groups of 20 to 150 for hunting and gathering

10,000 B.C. to 1800 A.D. humans organized around agriculture in groups of 100 to 8 million for efficient farming, hunting and socialization.

1200-1800 A.D. humans begin organizing as companies to develop products and services

1860-1890 Proctor and Gamble begins profit sharing program

1940-1960 United States Armed Forces use peer ranking as an individual performance measure

1955-1960 Hewlett Packard begins profit sharing

1965 to 1970: Measured customer satisfaction introduced as an instrument of organization success

1960 to 1990: General Electric adopts peer review as a measure of individual performance

1955 to 1999: the Gore company adopts blended peer and administrative ranking at the individual level

1980-1985 Charles Schwab integrates customer satisfaction into their compensation package

1980-1985 Xerox integrates customer satisfaction into their compensation package

1990 – 1995 IBM integrates customer satisfaction into their compensation package

1990-1995 Intel integrates customer satisfaction measures into their compensation package

1970 to 1995 The Intel corporation integrates peer rating and supervisory ranking in their compensation system.

1990-1995 Intel provides all employees with stock options linked by formula to individual status as established by ranking and rating.

1995-1998 Internet service providers begin experimenting with providing stock to customers

### **Summary**

In accordance with the present invention a web-site comprises a method for joining, a grouping system which links all participants, a ranking system which creates a status measurement for all participants and a reward system which ensures participation and creates intense positive interdependence.

### **Objects and Advantages**

Accordingly, besides the objects and advantages of the web-site method described in my above patent, several objects and advantages of the present invention are:

- a) to provide a direct benefit to the participant for the web-site success, thus motivating the participant to act to further the success of the web-site
- b) to provide a system of teams for the participant to join ensuring a direct connection between the participant and all other participants
- c) to provide a system of ranking participants and teams to further connect all participants in the web-site activities
- d) to provide an exact measure of the participants status in the web-site thus motivating the participant to pursue improvement in status
- e) to provide rewards to the participant which enhance their sense of joining and increasing status
- f) to provide rewards to the participant thus motivating them to join and perform the rankings
- g) to organize an infinite number of participants through a system of successively nested groups

### **Drawing Figures**

Figure 1. Depicts a level one group (team).

Figure 2. Depicts a level two group and the containment of level one groups by level two groups.

Figure 3. Depicts a level three group and the containment of levels one and two groups by level three groups.

Figure 4. Depicts a level four group and the containment of levels one, two, and three groups by level four groups.

Figure 5. Depicts a level five group and the containment of levels one, two, three and four groups by level five groups.

Figure 6. Depicts an extension of the ranking process to bubbling, the development of new teams by promotion of members of level one teams.

Figure 7. Depicts an extension of the ranking process to bubbling, the development of new teams by promotion of multiple members of level one teams.

Figure 8. Depicts a web-site interface or computer screen typifying the potential ranking process of participants

Figure 9. Depicts a web-site interface or computer screen typifying the potential ranking process of internet web-site groups from level 1 through level n.

### ***Theory of Operation***

The underlying theory of operation of the process is built on several fundamental principles. The first are the keys to human motivation: to 1.) survive, 2.) join, and 3) gain status. In this system, all participants join teams and frequently given a status ranking for themselves, their level 1 group, their level 2 group up to the level n-1 group of which they are a member.

The process also makes a direct appeal to the desire for money. Members can gain potentially highly valuable stock in return for a modest investment of initial time (joining and performing the rankings).

The act of joining is characterized by a positively interdependent relationship with other members. The invention structure creates explicit positive interdependence in all dimensions of potential relationships. Thus, the act of joining the web site groups will have emotional, entertaining benefits as well as financial benefits.

Over time, it is expected that participants in each team will develop friendships with other team members as they seek to improve the status of their team. It is also expected that members will invite acquaintances to become participants because the act of expanding the site will be a performance that other participants will acknowledge through higher rankings and because higher membership will increase the value of the web-site and stock bonuses to members.

It is subject to change on a real time basis. This change in status would be in response to the organization's perception of the value creation by the individual and the value creation by the groups of which he is a member.

### ***Preferred Embodiment***

The preferred embodiment of the method consists of a web site that invites visitors to join and become members. Such members would be attracted by the benefit of receiving of stock in the web-site corporation in return for participating in the web-site method of organizing, motivating and entertaining members.

The members would join both the web-site and a specific team (also defined as a level one group). They would be free to join any team in existence on the web site and might be joining as a result of an invitation to participate by a member of the team they are joining. When a participant joins a level 1 group (team) they automatically become a member of a level 2 through level n group where level n is defined as the number of levels which contain all participants.

#### **Joining the web-site**

Joining the web-site is a multiple facet process. First, an interested participant would register with the web-site as a participant. Second, they would select a team or group to join. Finally, their membership in that level 1 team or group would automatically make them a member of higher level groups of which that level one team is a member. An analogy is that someone who joins a homeowners association is automatically a resident of a city, a state, the United States.

#### **Performing rankings to determine status within the web-site community**

Each participant is given a voice in the process of organizing the web-site community. This voice is expressed in the form of a sequential, consecutive, unique, hierarchical ranking of other participants and other groups participating in the web-site. It is envisioned that the participant would rank the members of her level one team from first to last. So, one participant would be ranked first, another second, still another would be ranked third and so forth until all members within the level one team have been ranked.

This ranking process would then be applied to groups. So, the participant would rank all groups or teams that are members of the same level-two group as the participant. This is analogous to a resident of Phoenix ranking all homeowners associations in Phoenix. The participant would be assisted in the ranking process. This assistance would comprise a listing of the previous ranking results for these groups as an aid to the current ranking process.

The ranking of groups would continue in succession for each level of groups. This is analogous to a resident of Phoenix first ranking the members of their homeowners

association, next ranking all homeowners associations in Phoenix, next ranking all cities in Arizona, next ranking the states in the nation and finally ranking the countries of the world. Thus, every participant in the process would have linkage to every other participant in the process.

### **Rewards**

Each participant is entitled to a system of rewards. First, they would receive periodic corporate web-site stock just for being a member. Second, they would receive corporate web-site stock for submitting rankings. Third, they would receive corporate web-site stock as a calculated function by formula of their personal ranking. Fourth, each participant would receive corporate web-site stock as a calculated function by formula of the ranking of each group of which they are a member.

### **Growth in web-site membership**

The web-site is expected to grow exponentially as participants are attracted by the offer of stock. As the web-site grows, it would require more levels of groups to contain all members. For example at an average group size of 10 members and an average of 10 groups nested within each successively nested group, it would require one level to contain one hundred members and nine levels to organize the entire population of the world.

### **Rationalizing Rankings**

In addition to the ranking, it is anticipated that the web-site program would allow the member conducting the ranking to provide comments rationalizing the ranking. These comments would be available to the member being ranked and to the successively nested groups being ranked. So, a member would be able to access comments on his ranking, his level one group (team) ranking, their level two ranking, and any successive rankings that exist.

This feedback is critical to the processes of developing the web-site culture as composed of subcultures at the level one (team), level two, and successive level cultures.

### **Creation of web-site groups (teams)**

Any member would be free to start a new team (level one group), or level two group, or successively higher group. There would be rules for the minimum number of members and groups required to open a new team (level one group) or the minimum number of groups required to start a higher level group to ensure an orderly process of opening up new comparative rankings.

### **Frequency of feedback through comparative ranking**

A key feature of the site is frequency of feedback. Such rankings might be submitted as frequently as daily. However, it is anticipated that weekly might be the optimal frequency. It is anticipated that members might be able to access their comparative rankings on a real time basis. Thus, as members submit their rankings within the rating

period, the social rank of any member might change. It is anticipated that any possible change in status would be of high interest to the members and stimulate their frequent access to the site.

## **Communication**

Another key feature of the site is the chat board. It is anticipated that each team will have a bulletin board to share ideas and conduct electronic conversations. Such bulletin boards or chat rooms will exist for each successively nested group. Thus, a member would have a chat room for his level one team, level two group, level three group, etc.

### ***Extension of the core concept: Alternative embodiment or extension***

An extension of the core concept consists of establishing new teams comprised of the highest or highly ranked members of each level one group. In this extension, additional levels are formed in a different dimension on the web-site. These additional levels are formed not from successive groupings of level one groups, level two and successively nested groups but from members who “bubble out” or are promoted out of level one teams. For example, the top ranked member of each team becomes a member of a new team consisting of the top ranked members of all other teams in his level two group. At the same time, they retain their membership in their core level one group (team). Thus, if there are ten level one groups within a level two group, a “leadership” group of ten members is formed from the top ranked member of each level one group. This bubbling might continue for each successive level. For example, if the web-site consisted of 9 levels, 9 successive leadership teams would form each from the top ranked members at the prior level. This would continue until one individual is promoted to the top by being the top ranked member of the highest level leadership group.

This concept might be further enhanced by allowing second ranked and even third ranked members to bubble out to a higher level group in a double or triple elimination process.

These bubbling rankings might occur on a different perhaps less frequent timing than the core concept rankings. This frequency would be carefully calibrated to provide membership duration stable enough to develop a site culture.

## **Advantages**

From the description above, a number of advantages of my web-site process become evident:

- (a) An infinite number of participants can be organized through group structure design
- (b) An individual participant can rise to a position of leadership in a short period of time
- (c) Participants, who would otherwise be strangers, can be brought together to create an intense sense of community
- (d) Participants can be motivated to work towards the success of the internet web-site



- (e) Participants can be motivated to work towards group goals and objectives
- (f) Participants can be motivated to attract other participants and increase participation in the web-site activities
- (g) Participants can receive an exact measure of their status in the web-site community

### **Operation**

The manner of operating the web-site is as follows. First, a person registers as a participant with the web-site by providing identifying information. Next, the participant joins a level 1 group as shown in Figure 1. If the participant does not have a preference for a particular group, the participant is assigned to a level 1 group. Assignment to a level 1 group automatically confers membership in level 2, level 3 and higher level groups. The number of levels would depend on the total number of participants.

The participant would be immediately eligible to receive rewards for membership, rank within the group, and group rank within each level.

To receive these rewards, the participant would be required to submit rankings of other participants and other groups. This ranking process would be presented to each participant by the web-site process.

### **Conclusions, Ramifications, and Scope**

Accordingly, the reader sees that the web-site process can be used to organize, entertain and motivate an unlimited number of participants. Thus, creating a solution to the challenge of creating a community on the internet. Participants can be organized at essentially no cost to the web-site operator eliminating the large costs associated with hiring and housing employees. Furthermore, the web-site process has the additional advantages in that

- it permits the creation of a marketplace for talent, allowing participants to rise and fall quickly in response to their change in perceived performance
- it allows participants to quickly and flexibly change work groups thus redeploying to positions of greater satisfaction and productivity
- it allows leadership to quickly be identified and to rise to a position of optimum influence
- the potential ramifications of the process are unlimited. A company, school, or political party could be organized and operated within the group and sub-group structure. It is anticipated that this system would provide a superior form of organization for any objective envisioned.